



Legislative Bulletin.....September 24, 2001

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H.Con.Res. 204— Expressing the sense of Congress regarding the establishment of National Character Counts Week. (Smith, Lamar)

Order of Business: The resolution is scheduled to be considered under a motion to suspend the rules on Monday, September 24th.

Summary: The resolution states that Congress calls for a National Character Counts Week to be established to promote character education and that the President should issue a proclamation calling upon the people of the United States to embrace the elements of character (such as trustworthiness, respect, responsibility, fairness, caring, citizenship, and honesty) identified by their local schools and communities and observe such a week with appropriate ceremonies, programs, and activities.

The resolution proposes the week of October 15, 2001, and that of October 14, 2002, as appropriate weeks for National Character Counts Weeks.

Cost to Taxpayers : The resolution authorizes no expenditure.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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H.R. 1860—To reauthorize the Small Business Technology Transfer Program (Ehlers)

Order of Business: H.R. 1860 is scheduled to be considered under a motion to suspend the rules on Monday, September 24th.

Summary: H.R. 1860 would extend the authorization, currently set to expire this weekend, of the Small Business Technology Transfer (STTR) program to the end of fiscal year 2009. The STTR program, first authorized for three years beginning in FY1994, requires federal agencies with annual appropriations for “extramural research” of more than \$1 billion to set aside a portion of their extramural research budget for cooperative research between small businesses and a university, federal laboratory, or nonprofit research institution. The purpose of STTR is to develop commercially viable, cutting-edge products from concepts and applications tested and designed in a lab environment.

According to CBO, only the following agencies qualify for the program, based on their annual appropriations: DOD, DOE, HHS, NASA, and the National Science Foundation. For a small business to qualify for an award under STTR, it must have no more than 500 employees and be independently owned and operated with its principal place of business in the United States. The small business may not be the dominant player in the field in which the project is contained and must be primarily owned by U.S. citizens.

H.R. 1860 would modify the STTR program to incorporate a gradual increase in the percentage of extramural research funds that would be set aside for the program (capping out at 0.3% in FY2004 and thereafter). The authorized limit on two-year awards for STTR programs in their second phase would be raised from \$500,000 to \$750,000. The Small Business Administrator would be directed to promulgate regulations protecting intellectual property rights for small business and research institutions participating in the STTR program. Any agency participating in the STTR program would be required to enter relevant information (necessary for evaluating STTR success) in its pre-existing agency database.

Cost to Taxpayers : CBO estimates that H.R. 1860 would authorize \$27.0 million during the FY2002-FY2006 period (\$5.0 million in FY2002). This authorization only would be for *administering* the STTR program, as the program itself is funded as a percentage of the extramural research and development funds annually appropriated by Congress to the qualifying federal agencies.

Does the Bill Create New Federal Programs or Rules?: H.R. 1860 would extend and adjust the authorization of an existing federal program for 8 additional fiscal years.

Constitutional Authority: The Small Business Committee (in House Report 107-213) cites constitutional authority in Article I, Section 8, Clause 18 (the power for Congress to “make all Laws which shall be necessary and proper...”).

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H.R. 717— Duchenne Muscular Dystrophy Childhood Assistance, Research and Education Amendments of 2001 (Wicker)

Order of Business: The bill is scheduled to be considered under a motion to suspend the rules on Monday, September 24th.

Summary: H.R. 717 would allow the Director of the National Institutes of Health (NIH), in coordination with the Directors of the National Institute of Neurological Disorders and Stroke, the National Institute of Arthritis, and the National Institute of Child Health and Human Development to expand programs with respect to activities concerning Duchenne Muscular Distrophy (DMD).

The legislation would also create Centers of Excellence for DMD, which would conduct basic and clinical research into DMD and various other muscular dystrophies. A newly established 15-member coordinating committee would serve as a clearinghouse for all such activities related to DMD and other muscular dystrophies. This coordinating committee, under the direction of the Secretary of Health and Human Services, would (not later than one year after this bill’s enactment) be tasked with developing a plan for conducting and supporting research and education on muscular dystrophy through the national research institutes and periodically reviewing and revising the plan.

H.R. 717 authorizes “such sums as may be necessary for each of fiscal years 2002 through 2006.” Such authorizations are in addition to any other authorizations of appropriations available to NIH for muscular dystrophy research and education.

In addition, the legislation authorizes “such sums” for the Centers for Disease Control to award grants for research into DMD and other muscular dystrophies.

Additional Background: Duchenne Muscular Dystrophy (DMD) is reportedly the most lethal genetic (childhood) disorder, affecting approximately one in every 3,500 boys worldwide. Symptoms of DMD include loss of muscle tissue, inability to walk, decreased lung capacity, and inability to move the major joints of the body. Nearly all children with DMD lose the ability to walk sometime between ages 7 and 12. Despite current medical advances, treatment options for DMD are aimed at simply managing but never eliminating the symptoms.

Cost to Taxpayers: CBO estimates that implementing H.R. 717 would cost \$4 million in 2002 and \$56 million over the 2002-2006 period, subject to appropriations.

Does the Bill Create New Federal Programs or Rules?: Yes, new research centers and committees would be created, and new reports would be required, as discussed above.

Constitutional Authority: The House Energy & Commerce Committee (in House Report 107-195) cites constitutional authority in Article I, Section 8, Clause 3 (the power to regulate commerce).

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H.R. 1850 -- Senior Housing Commission Extension Act (Roukema)

Order of Business: The resolution is scheduled to be considered under a motion to suspend the rules on Monday, September 24th.

Summary: The bill extends the Commission on Affordable Housing and Health Care Facility Needs of Senior Citizens for an additional year. Established in 1999, the 14 Member Commission was supposed to issue a report to Congress by December 31, 2001 and terminate on June 30, 2002. The proposed bill would extend each of those dates by one year. Proponents of the measure argue that the late appointment of Commission Members has made this extension necessary.

The bill also revises current law to allow the Commission to utilize employees of other federal agencies on a non-reimbursable basis. Current law requires the Commission to reimburse agencies. To date, Congress has appropriated \$1 million for the Commission to carryout its duties.

Cost to Taxpayers: CBO estimates that the bill will not significantly impact the federal budget.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: The Committee cites Article I, Section 8, Clause 1 (general welfare), Clause 3 (regulate interstate commerce), Clause 5 (coin money and regulate the value thereof) and Clause 18 (make all laws necessary and proper) as the source for the Constitutional authority to enact this bill.

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H.R. 2589— Office of Multifamily Housing Assistance Restructuring Extension Act (Roukema)

Order of Business: The bill is scheduled to be considered under suspension of the rules on Monday, September 24th.

Summary: The bill would modify and extend for an additional three years the “market-to-market” approach for renewing Section 8 Housing Assistance Payment Contracts enacted in 1997. Prior to the enactment of the “market-to-market” approach, HUD assisted properties were rented for more than comparable unassisted properties. This is primarily the result of the government originally establishing rents above market levels. Under the “market-to-market” approach government-subsidized rents are reduced to market levels and then, when necessary, the FHA assists in either modifying or refinancing the existing mortgage on the property so that the mortgage can be supported by the new market-based rents.

Specifically, the bill would:

- Extend the market-to-market approach through October 1, 2004;
- Requires the program director to operate the “market-to-market” program as his sole duty;
- Requires the Director to report to the Federal Housing Commissioner (Asst. Sec. of HUD) rather than the Secretary of HUD; and
- Eliminates the need for Senate confirmation of the Director.

Cost to Taxpayers: CBO estimates that implementing the bill would **SAVE** (through lower rental renewal costs) the taxpayers \$307 million in direct spending over the 2002-2006 period and further reduce the need for discretionary appropriations by \$114 million over the same period. If all savings are realized, the bill would save the taxpayer a total of \$421 million over the next five years.

Does the Bill Create New Federal Programs or Rules?: No, the bill extends an existing program.

Constitutional Authority: The Committee cites Article I, Section 8, Clause 1 (general welfare), Clause 3 (regulate interstate commerce), and Clause 18 (make all laws necessary and proper) as the source for the Constitutional authority to enact this bill.

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**S. 248 -- Amend the Admiral James W. Nance and Meg Donovan
Foreign Relations Authorization Act, Fiscal Years 2000 and 2001
(United Nations Dues Payment bill) (Helms)**

Order of Business: The bill is scheduled to be considered under a motion to suspend the rules on Monday, September 24th.

Summary: The bill would modify the conditions in current law (the U.N. Reform Act of 1999) under which arrears to the U.N. are released. Specifically, the bill revises the statutory cap on the percentage of the UN peacekeeping budget paid by the U.S. from the target of 25% to 28.15% for the next two years (previously the U.S. paid 32%). This provision effectively releases \$582 million in previously appropriated funds to the U.N. A second provision modifies current law to release a third arrearage payment of \$244 million as U.N. affiliated agencies make budget reforms rather than withholding funds until reforms are completed.

A similar provision was included as part of the State Department reauthorization bill passed by the House on May 16, 2001 by a vote of 352 to 73 with 36 Republicans voting no (Roll Call # 121). That bill also contained language authored by Rep. Tom DeLay to ensure that American citizens, especially U.S. military personnel, are not prosecuted by the International Criminal Court for actions undertaken by them on behalf of the U.S. government unless and until the Senate ratifies. S. 248 does not contain any of these provisions.

Cost to Taxpayers: The bill would permit the expenditure of \$582 million; that undercurrent law would not be expended until there was a further reduction in U.N. expenses paid by the U.S.

Constitutional Authority: The Committee Report citing Constitutional Authority is not available.

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**H.R. 2869 -- Small Business Liability Relief and Brownfields
Revitalization Act (Gillmore)**

Order of Business: The bill is scheduled to be considered under a motion to suspend the rules on Monday, September 24th.

Summary:

Title I of the bill is identical to H.R. 1831 which passed the House on May 22, 2001 by a vote of 419-0 (Roll Call #134).

Title I would provide some relief from liability for small businesses by creating exemptions to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA).

Specifically, a small business would be exempt from liability in regard to environmental hazards if the total amount of the material containing hazardous substances for which the business arranged disposal, transport, or treatment (prior to April 1, 2001) were less than 110 gallons (of liquid) or 200 pounds (of solids). [The EPA Administrator may adjust these thresholds by regulation.] However, this exemption from liability would not apply if the small business owner has been convicted of a criminal violation related to the given environmental hazard, if the owner failed to comply with an information request or administrative subpoena, if the owner has otherwise impeded a “response action” by the EPA regarding the business, or if the materials containing the hazardous substances could contribute significantly to EPA response costs.

In addition residential property owners, small businesses, and non-profits would also be relieved of liability regarding “municipal solid waste” (i.e. generic, household-like waste), with the same conditions for nonapplicability as described above.

If a nongovernmental third party brings action against an individual or small business regarding the above violations, the burden of proof would be on that third party to demonstrate that the conditions for exemption from CERCLA were not met.

Provisions for reductions in settlement amounts and alternative payment methods are established for certain entities that demonstrate an inability to pay.

Title II of the bill is based on S. 350 which passed the Senate on April 25 by a vote of 99-0.

Title II would authorize specific programs related to brownfield inventory and remediation, including:

- Authorize \$200 million per year for five years for grants to States and other governmental entities to assess and/or clean-up brownfield sites. Funds could be used for the capitalization of revolving loan funds or for direct grants under certain limited circumstances.
- Setting aside \$50 million per year (out of the \$200 million) for the assessment and remediation of sites contaminated by petroleum products otherwise excluded from the definition of hazardous substance.
- The bill authorizes the EPA Administrator to use up to 15% of funding to provide or fund eligible entities or non-profit organizations to provide training, research, and technical assistance.

In addition, the bill provides protection (limitations on liability) to contiguous property owners and prospective purchasers provided they are not responsible for the

contamination of a site, take actions to prevent future contamination, and cooperate with appropriate authorities.

The bill also expands eligible response sites to include those receiving assistance from the Leaking Underground Storage Tank Trust Fund.

The bill authorizes an additional \$50 million for grants to a States or Indian tribes who agree to meet certain requirements related to timely surveys, oversight, and public participation. The funds may be used to establish or enhance response programs, capitalize revolving funds, or purchase insurance.

Finally, the bill permits the delay of the addition of certain sites to the National Priorities List if the State is taking certain actions related to the site.

Cost to Taxpayers: While a CBO score is unavailable, the bill authorizes \$1.25 billion in spending over the next five years. In addition, the provision limiting liability and the addition of certain sites contaminated by petroleum products are likely to increase the number of sites which will require full or partial funding for cleanup activities.

Constitutional Authority: The Committee Report citing Constitutional Authority is not available.

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